

IN THE UNITED STATES BANKRUPTCY COURT
FOR THE SOUTHERN DISTRICT OF TEXAS
MCALLEN DIVISION

In Re:

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GARCIA GRAIN TRADING
CORP.,

§

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Case No. 23-70028-EVR-11

§

§

Debtor.

**CLASS 9 BALLOT FOR ACCEPTING OR REJECTING PLAN OF REORGANIZATION
AND “OPT-IN” or “OPT-OUT” ELECTION**

**YOU ARE RECEIVING THIS BALLOT BECAUSE YOUR CLAIM(S) IN THE BANKRUPTCY CASE HAVE
BEEN PLACED IN CLASS 9 – UNSECURED FARMERS’ AND GRAIN CLAIMANTS.**

**THE CREDITORS PLACED IN CLASS 9 ARE GRANTED THE CHOICE OF SETTLING ANY PREFERENCE
CLAIMS THE DEBTOR MAY OWN AGAINST THEM. A “PREFERENCE” CLAIM INVOLVES CERTAIN
PAYMENTS YOU MAY HAVE RECEIVED FROM THE DEBTOR DURING THE 90 DAYS PRIOR TO THE
BANKRUPTCY.**

**CLASS 9 IS AN IMPAIRED CLASS AND YOU HAVE THE RIGHT TO CHOOSE BETWEEN PARTICIPATING
IN THE PLAN (OPT-IN) OR PARTICIPATING IN THE DISTRIBUTION OF FUNDS FROM THE SURETY BOND(S)
REQUIRED BY TEXAS STATUTES REGULATING PUBLIC GRAIN WAREHOUSE (OPT-OUT).**

Under the Plan, Class 9 Creditors holding claims are provided a choice to:

1) “Opt-in” to the proposed Plan under which proceeds from the bond proceeds will be paid into the Plan Trust and you will receive your share of Plan dividends and all potential liability claims for preferences against Class 9 creditors will be waived;

or

2) “Opt-out” of the proposed Plan through which Class 9 creditors can receive their potential pro rata share of the bond proceeds, if any; however, they will also face liability for any bona fide avoidance actions, if any, such as preferences.

To analyze the consequences of a choice to Opt-in or Opt-out, you should review the Plan and Disclosure Statement which describes the treatment of Class 9 – Unsecured Farmers’ and Grain Claims as well as Exhibit “D” and Exhibit “E” to the Disclosure Statement which estimates the amount you may be entitled to receive according to the two alternatives.

The Debtor, Garcia Grain Trading Corp., filed its Debtor’s Modified and Supplemental Third Amended Chapter 11 Plan of Reorganization [Dkt. #762] (the “Plan”) and Debtor’s Modified and Supplemental Third Amended Disclosure Statement to Accompany Debtor’s Modified and Supplemental Third Amended Plan of Reorganization [Dkt. #763] (the “Disclosure Statement”) on February 26, 2024, in this case. The Plan and Disclosure Statement provide information to assist you in deciding how to vote your ballot.

You should review the Plan before you vote. You may wish to seek legal advice concerning the Plan and your classification and treatment under the Plan. If you hold claims or equity interests in more than one class, you will receive a ballot for each class in which you are entitled to vote.

[over]

Your claim has been placed in class [9] under the Plan. Class 9 (the Farmers' and Grain Claims) consists of the claims of farmers ("Farmers") or other grain claimants ("Grain Claimants") who have claims tied to grain delivered to or deposited with the Debtor.

Farmers and Grain Claimants holding claims that may be entitled to distributions from the proceeds of the surety bonds may either choose to (1) participate and receive their pro-rata share of the percentages paid to General Unsecured Creditors pursuant to the Plan from the receipt of net proceeds from the sales of real estate and the net profits from the operations of the Debtor in exchange for release of all preference claims and obligations arising under this Bankruptcy Proceeding and in exchange for contributing their surety bond claim to the Plan Trust [OPT IN], OR (2) be paid solely their pro rata amount of the surety bond proceeds. However, holders of grain claims who choose distribution from the surety bond proceeds will not have any preferences they may have received waived by the Debtor and will remain subject to preference claims and will receive no further disbursements per the Plan [OPT OUT]. Additionally, if you OPT OUT any unsecured claim you have filed in this Bankruptcy case as an unsecured Class 9 Creditor will be disallowed in full.

A. OPT IN OR OPT OUT

The undersigned, the holder of a Class [9] claim against the Debtor chooses the following option with regard to its Grain Claim:

(Check one box only)



OPT IN



OPT OUT

If you choose to OPT IN, please move to Section B. If you choose to OPT OUT, please proceed to the signature section.

B. ACCEPTANCE OR REJECTION OF THE PLAN

The undersigned, the holder of a Class [9] claim against the Debtor in the unpaid amount of _____ Dollars (\$______).

(Check one box only)



ACCEPTS THE PLAN



REJECTS THE PLAN

If your ballot is not received by David R. Langston, Mullin Hoard & Brown, L.L.P., P.O. Box 2585, Lubbock, Texas 79408 or Email: (drl@mhba.com) on or before 5:00 p.m., prevailing central time, March 26, 2024, and such deadline is not extended, your vote will not count as either acceptance or rejection of the Plan. If the Plan is confirmed by the Bankruptcy Court it will be binding on you whether or not you vote.

Dated: 03/14/2024

Name of Claimholder: Karen Arnold

Print or type name of person

representing Claimholder: Rudy Salinas, Jr.

Signature: /s/ Rudy Salinas, Jr.

Title (if corporation or partnership): _____

Address: P.O. Drawer 1247, Weslaco, TX 78599

RETURN THIS BALLOT TO: via mail: *Mullin Hoard & Brown, L.L.P., P.O. Box 2585, Lubbock, Texas 79408*; via facsimile: (806) 765-0553; or via e-mail: drl@mhba.com